

EXHIBIT B

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DIONNE HAMILTON, individually and on
 behalf of all others similarly situated,

Plaintiff,

vs.

BLUEMERCURY, INC., a Delaware
 corporation; and DOES 1 through 25,

Defendants.

) Case No.: BC625829
) *Assigned for all purposes to:*
) *Judge Carolyn B. Kuhl, Dept. 309*
)
) **FIRST AMENDMENT TO**
) **STIPULATION OF CLASS ACTION**
) **SETTLEMENT**

Case filed: July 1, 2016

1 This First Amendment to Stipulation of Class Action Settlement ("Amendment") is
2 entered into between Plaintiff Dionne Hamilton ("Plaintiff"), individually and on behalf of
3 all others similarly situated, and Defendant Bluemercury, Inc. ("BMI" or "Defendant"). This
4 Amendment modifies the Stipulation of Class Action Settlement ("Original Stipulation")
5 that the parties entered into on or about April 21, 2017.

6 1. The Original Stipulation was reviewed by the Court in connection with
7 Plaintiff's Motion for Preliminary Approval of Class Action Settlement, filed on April 27,
8 2017 and calendared for hearing on May 16, 2017. At the hearing on May 16, 2017, the
9 Court issued several comments concerning the Original Stipulation. This Amendment
10 modifies the Original Stipulation in response to the Court's comments.

11 2. This Amendment is authorized by section VIII(A) of the Original Stipulation,
12 which provides: "This Settlement Agreement may only be modified or changed by a writing
13 signed by the Parties or their Counsel."

14 3. The following definition is added as Section II(GG):

15 "Sub-Class" means all current and former non-exempt employees of
16 Defendant in California who were paid on a piece-rate basis and worked as
17 estheticians and were hired on or before March 31, 2017 and worked for
18 Defendant in California at any time between July 1, 2012 and the Preliminary
19 Approval Date.

20 4. The following definition is added as Section II(HH):

21 "Sub-Class Member" means a person who is a member of the Sub-
22 Class.

23 5. The following definition is added as Section II(II):

24 "Settlement Sub-Class" means all Sub-Class Members who have not timely
25 submitted a valid and complete Request for Exclusion.

26 6. The following definition is added as Section II(JJ):

27 "Settlement Sub-Class Member" is a person who is a member of the
28 Settlement Sub-Class.

7. The definition of "Class" in section II(C) is modified to read:

"Class" means all current and former non-exempt employees of Defendant in California who were hired on or before March 31, 2017 and worked for Defendant in California at any time between July 1, 2012 and the Preliminary Approval Date. Defendant represents that there are approximately 220 Class Members. As used herein, the term "Class" includes the "Sub-Class."

8. Section IV(J)(1),(2) is amended to read:

J. Settlement Payments to Participating Settlement Class Members

1. Payments under this Settlement Agreement shall be made by the Settlement Administrator as follows, subject to Court approval at the final approval hearing: Defendant will determine the amount of each participating Settlement Class Member's "Qualifying Workdays" (as that term is defined in Section II herein). Twenty percent (20%) of the Net Settlement Amount shall be allocated and paid to the Sub-Class using the following formula:

(Settlement Sub-Class Member's Qualifying Workdays ÷ All Settlement Sub-Class Members' Qualifying Workdays) x 20% of Net Settlement Amount

The remaining eighty percent (80%) of the Net Settlement Amount shall be allocated to all Class Members, including Sub-Class Members, using the following formula:

(Settlement Class Member's Qualifying Workdays ÷ All Settlement Class Members' Qualifying Workdays) x 80% of Net Settlement Amount

The Settlement Administrator, on Defendant's and Class Counsel's collective behalf, shall have the authority and obligation to make payments, credits, and disbursements, including payments and credits in the manner set forth herein, to participating Settlement Class Members calculated in

accordance with the methodology set out in this Agreement and orders of the Court. No person shall have any claim against Defendant, Defendant's Counsel, the Representative Plaintiff, the Class Members, or Class Counsel based on any errors or omissions in the distributions and payments that are required to be made in accordance with the terms of this Agreement.

The Parties acknowledge and agree that the formulas used to calculate individual settlement payments do not imply that all the elements of damages alleged in the Action are not being considered. The above formulas were devised as a practical and logistical tool to simplify the settlement process.


2. Inclusion of Qualifying Workdays and Settlement Payment Information in Notice of Settlement.

The Notice of Settlement sent to each Class Member shall state the amount of the Class Member's Qualifying Workdays as a Class Member and, if applicable, as a Sub-Class Member. Each Notice of Settlement shall also include an estimate of the Settlement Class Member's settlement payment as a member of the Class, and, if applicable, as a member of the Sub-Class.

9. All other provisions of the Original Stipulation not inconsistent with the foregoing shall remain unchanged.

Dated: June 2, 2017

LAW OFFICES OF JULIA AZRAEL

By: 
Julia Azrael

Attorneys for Defendant Bluemercury, Inc.

Dated: June 5, 2017

GARTENBERG GELFAND HAYTON LLP


Aaron C. Gundzik

Attorneys for Plaintiff Dionne Hamilton, individually and on behalf of all others similarly situated

1 Dated: June __, 2017
2 June 5, 2017

CASKEY & HOLZMAN



Daniel M. Holzman

Attorneys for Plaintiff Dionne Hamilton, individually
and on behalf of all others similarly situated

Exhibit A

20160607

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND HEARING DATE FOR COURT APPROVAL
Dionne Hamilton v. Bluemercury, Inc.
Los Angeles County Superior Court Case No. BC625829

If you are a current or former employee of Bluemercury, Inc., you may be entitled to receive money from a class action settlement.

*The California Superior Court, County of Los Angeles authorized this notice.
This is not a solicitation from a lawyer.*

**THIS NOTICE MAY AFFECT YOUR RIGHTS.
PLEASE READ IT CAREFULLY.**

You are receiving this Notice because the Court has granted preliminary approval of a proposed settlement in a class action filed on behalf of current and former employees of Bluemercury, Inc. ("Bluemercury" or "Defendant"). The proposed settlement will resolve all Released Claims (defined below) against Defendant. A hearing addressing the fairness, adequacy, and reasonableness of the settlement will be held on September 7, 2017 to determine whether the settlement should receive the Court's final approval.

If you are a member of the settlement class, you may receive a settlement payment and may be bound by the terms of the release described below. This Notice explains how much you may receive as a settlement payment. If you do not want to be part of the settlement class, then you must submit a Request for Exclusion (described below) no later than [45 days from mailing] otherwise you will be bound by the terms of the settlement.

1. PURPOSE OF THIS NOTICE

The Court has ordered that this Notice be sent to you because you have been identified as a potential member of the settlement class by Defendant's records. The purpose of this notice is to provide you with information about the lawsuit and the proposed settlement and to advise you of your options.

2. PERSON ELIGIBLE TO RECEIVE A SETTLEMENT PAYMENT

The people eligible to receive a settlement payment (the "Settlement Class") includes all non-exempt current and former employees of Bluemercury from July 1, 2012 through March 31, 2017. The Settlement Class includes a sub-class consisting of employees who worked as estheticians and were paid on a per-service basis ("Settlement Sub-Class").

3. DESCRIPTION OF THE ACTION

A former employee of Defendant, Dionne Hamilton, filed a class action complaint against Defendant in the Los Angeles County Superior Court on July 1, 2016. Her complaint was based on allegations that she and other employees were not properly compensated for all hours worked, were not provided with compliant meal and rest breaks and were not reimbursed for expenses incurred. Based on these allegations and others, Plaintiff's complaint alleges causes of action for: (1) failure to pay minimum wage; (2) failure to pay wages earned; (3) inaccurate wage statements; (4) failure to pay overtime; (5) failure to provide meal and rest breaks (6) failure to pay all wages at time of discharge; (7) failure to reimburse for expenses; and (8) violation of California Business & Professions Code Sections 17200, et seq.

Defendant denies all of Plaintiff's allegations. Defendant contends that all employees have been properly compensated, that all employees were provided with the opportunity to take meal and rest breaks, that employees were reimbursed for all expenses and that Defendant has complied with all wage statement reporting requirements under California law.

The Court has made no ruling on the merits of the alleged claims or the defenses asserted by Defendant. The Court has preliminarily approved the proposed settlement. The Court will decide whether to give final approval to the settlement at a hearing scheduled for September 7, 2017 in Department 309 of the Los Angeles County Superior Court, located at 600 S. Commonwealth Street, Los Angeles, CA 90005 (the "Final Approval Hearing").

4. WHO ARE THE ATTORNEYS REPRESENTING THE PARTIES?

FOR MORE INFORMATION CALL 1-800-_____.

Attorneys representing the class ("Class Counsel") are:

Aaron C. Gundzik
Rebecca G. Gundzik
Gartenberg Gelfand Hayton LLP
15260 Ventura Blvd., Suite 1920
Sherman Oaks, CA 91403
Telephone: (213) 542-2100
Facsimile: (213) 542-2101

Daniel M. Holzman
Caskey & Holzman
24025 Park Sorrento, Ste. 400
Calabasas, CA 91302
Telephone: (818) 657-1070
Facsimile: (818) 297-1775

Attorneys representing Defendant are:

Julia Azrael
Law Offices of Julia Azrael
5200 Lankershim Blvd., Suite 850
North Hollywood, CA 91601
Tel: (818) 766-5177

5. THE TERMS OF THE PROPOSED SETTLEMENT

The following is a summary of the settlement provisions. The specific and complete terms of the proposed Settlement are stated in the Stipulation of Class Action Settlement ("Settlement Agreement"), a copy of which is filed with the Clerk of the Court. You can also obtain a copy of the Settlement Agreement from Class Counsel (see contact information in Section 4 above)

Defendant has agreed to pay \$895,000.00 to settle any and all obligations for the claims alleged in the lawsuit. This amount is called the Gross Settlement Amount. The Gross Settlement Amount will be used to cover all payments to the settlement class, settlement administration costs, attorneys' fees and costs, and a service and release payment to the Plaintiff.

All settlement administration costs, attorneys' fees and costs, and the service and release payment, will be deducted from the Gross Settlement Amount. The remaining amount will be distributed to class members who do not timely submit Requests for Exclusion, as discussed below.

(a) Attorneys' Fees and Costs: Under the settlement, Class Counsel may request up to \$298,333, to compensate them for their work on the case, plus their reasonable costs and expenses of the litigation, currently estimated to be \$15,000, for their reimbursement of the actual costs and expenses incurred. The attorneys' fees and costs will be deducted from the Gross Settlement Amount.

(b) Service and Release Payment: The Plaintiff is requesting a service and release payment in the amount of \$10,000.00, in addition to the amount she will receive as a member of the class, to compensate her for undergoing the burden and expense of bringing and prosecuting the action, and for the broader release of claims she is required to execute. The service and release payment will be deducted from the Gross Settlement Amount.

(c) Settlement Administration Costs: The Settlement Administrator, CPT Group has advised the parties that the settlement administration costs will be \$7,000. The settlement administration costs will be deducted from the Gross Settlement Amount.

(d) Payments to Settlement Class Members: The remainder of the Gross Settlement Amount (called the Net Settlement Amount) will be distributed to Settlement Class Members and Settlement Sub-Class Members who do not exclude themselves from the settlement. The amount of each Settlement Class Member's and Settlement Sub-Class Member's share of the Net Settlement Amount will be calculated based upon the number of days the class member worked during the Class Period. Twenty percent (20%) of the Net Settlement Amount will be paid to members of the Settlement Sub-Class who do not exclude themselves from the settlement. The remaining eighty percent (80%) of the Net Settlement Amount will be paid to all members of the Settlement Class, who do not exclude themselves from the settlement including members of the Settlement Sub-Class.

6. WHAT YOU WILL RECEIVE UNDER THE SETTLEMENT

According to Defendant's records, you worked a total of ___ days during the Class Period. [Of those work days, you worked ___ days as an esthetician.] Under the settlement, you will receive approximately \$ _____. This amount may

FOR MORE INFORMATION CALL 1-800-_____.

increase or decrease based on various factors, including the amounts approved by the Court for attorneys' fees and costs, settlement administration costs, service and release payment to Plaintiff, and disputes by other class members regarding their work days during the Class Period. **To receive this estimated amount you do not need to do anything. You will receive a settlement payment unless you exclude yourself from the settlement.**

7. PAYMENT SCHEDULE

The Settlement Administrator will send out settlement checks to class members after the settlement is finally approved. You will have 180 days after the Settlement Administrator mails your settlement check to cash it; otherwise it will be voided and the amount of your settlement payment will be delivered to the State of California's Unclaimed Wage Fund and held by the state in your name. For tax purposes, 25% of your settlement payment shall be attributed to wages, to be reported on a W-2 form; 25% shall be attributed to penalties; 25% shall be interest; and 25% shall be reimbursement of expenses. The amount of interest, penalties, and reimbursed expenses will be reported on an IRS Form 1099.

Nothing in this Notice should be construed as providing you with tax advice. You should consult with your tax advisor concerning the tax consequences of the payment you receive.

8. RELEASE OF CLAIMS

Unless you submit a valid Request for Exclusion (described below), you will release Bluemercury, Inc. and its current and former parents, subsidiaries, sister companies, and affiliates (regardless of tier), and their agents, attorneys, insurers, shareholders, partners, officers, directors, managers, and employees, from any and all claims, liens, debts, penalties, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, interest, equitable relief, or causes of action, of any nature whatsoever, that either were or could have been asserted or sought based on or arising from the facts alleged in the Complaint (including, without limitation, (1) failure to pay wages, including but not limited to minimum wages and overtime, (2) failure to provide compliant meal and rest breaks, (3) inaccurate wage statements, (4) failure to pay unpaid wages at time of separation, (5) failure to reimburse for expenses incurred during employment, and (6) violations of Business & Professions Code §§ 17200 et seq.)).

This release is for conduct occurring from July 1, 2012 through [preliminary approval date]. The claims covered by this release are referred to as the "Released Claims."

9. YOUR OPTIONS

As a member of the settlement class you have several options. Each option will affect your rights, which you should understand before making your decision. Your rights regarding each option, and the procedure you must follow to select each option, are explained below:

(a) You Can Do Nothing.

If you do nothing, you will remain a member of the Settlement Class and will receive a settlement payment. You will also be bound by the release of claims set forth in Section 8 above. The payment will remain valid and negotiable for one hundred and eighty (180) days from the date of the issuance. This deadline to cash the payment check shall not be extended for you absent Court Order.

(b) You Can Contest the Calculation of Your Settlement Payment as Stated in this Notice.

You can contest the number of work days identified in Section 6 above. To do so, you must provide the settlement administrator with documentation supporting your position. The statement must also include your full name, current address, and telephone number, and must identify this case (*Dionne Hamilton v. Bluemercury, Inc., Case No. BC625829*). **You must provide written documentation supporting the number of pay periods or employment dates you contend to have worked; otherwise, Defendant's records will be presumed correct.** You must postmark your written statement no later than **[45 days from mailing]**.

The Settlement Administrator will consider the documentation you submit and will communicate with you and the parties as necessary regarding the dispute to determine whether an adjustment is warranted before making a final determination regarding your settlement payment. The settlement administrator will mail you its final determination. You will have **until [45 days from mailing]** to decide whether you want to exclude yourself from the settlement, as described below.

(c) You Can Exclude Yourself from the Settlement Class.

If you do not want to remain a member of the settlement class, you can request exclusion (i.e., opt out) by sending the Settlement Administrator a written Request for Exclusion to the address specified in Section 11 below. The deadline to

FOR MORE INFORMATION CALL 1-800-_____.

postmark a Request for Exclusion is [45 days from mailing]. A Request for Exclusion is a written statement unambiguously requesting to be excluded from the settlement class. The Request for Exclusion must include the case name (*Dionne Hamilton v. Bluemercury, Inc., Case No. BC625829*), your name, current address, and telephone number, and the last four digits of your social security number (for verification purposes). You must also sign the Request for Exclusion. You should keep a copy of your Request for Exclusion for your records. Moreover, to ensure receipt by the Settlement Administrator, you may elect to send your Request for Exclusion via certified mail. Requests for Exclusion that do not include all required information, or that are not postmarked on or before the deadline, will not be valid.

If you submit a valid and timely Request for Exclusion, you will not be bound by the settlement or the release of claims in Section 8 above; however, you will not receive any money under the settlement. You will also be barred from objecting to this settlement. By opting out of the settlement class, you will retain whatever rights or claims you may have against Defendant.

If you do not submit a timely and valid Request for Exclusion from the settlement class by the deadline specified above, then you will be bound by all terms and conditions of the settlement if it is approved by the Court and by the Judgment, and you will receive a settlement payment.

(d) You Can Object to the Settlement.

If you are a member of the settlement class who does not opt out of the class, you may object to the settlement, personally or through an attorney (retained at your own expense), by sending your written objections to the Settlement Administrator at the address specified in Section 11 below. The deadline to file and postmark objections is [45 days from mailing]. Only class members who have not requested exclusion may object to the settlement.

Your objection must state the basis of your objection and include any papers and briefs in support of your position. Your objection must be signed and must contain your current address and telephone number (or that of your attorney) and refer to this case (*Dionne Hamilton v. Bluemercury, Inc., Case No. BC625829*). If you mail an objection, you may also appear at the Final Fairness and Final Approval Hearing either personally or through an attorney you hire and pay for yourself. To appear at the Final Approval Hearing, you must mail and postmark an objection no later than [45 days from mailing] to the Settlement Administrator at the address specified in Section 11 below.

If you fail to mail timely written objections, you will be deemed to have waived any objections you may have to the settlement and will be foreclosed from making any objection (whether by appeal or otherwise) to the settlement, unless the Court orders otherwise.

If you object to the settlement and if the Court approves the settlement notwithstanding your objections, you will be bound by the terms of the settlement, and you will not be permitted to file a Request for Exclusion.

10. FINAL APPROVAL HEARING ON PROPOSED SETTLEMENT

The Final Approval Hearing on the fairness and adequacy of the proposed settlement, the plan of distribution, the service and release payment to the Plaintiff, and Class Counsel's request for attorneys' fees and costs, will be held on September 7, 2017 at 1:45 p.m. in Department 309 of the Los Angeles Superior Court, Central Civil West Courthouse, located at 600 S. Commonwealth Ave., Los Angeles, CA 90005. The Final Approval Hearing may be continued to another date without further notice. If you plan to attend the Final Approval Hearing, you may contact the Settlement Administrator to confirm the date and time.

11. ADDITIONAL INFORMATION.

This Notice only summarizes the lawsuit and settlement. For more information, you may inspect the Court file at the Los County Angeles Superior Court, Central Civil West Courthouse, located at 600 S. Commonwealth Ave., Los Angeles, CA 90005. You may also contact the settlement administrator as follows:

[insert TPA name, address and telephone]

Facsimile: _____

Email: _____

Website: _____

You may also contact Class Counsel at the address and telephone number provided in Section 4 above. If your address changes or is different from the address on the envelope enclosing this Notice, please promptly notify the settlement administrator.

FOR MORE INFORMATION CALL 1-800-_____.

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE

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